

An Overview of Strategic Planning

“Strategic Planning . . . is based on the premise that leaders and managers of public and nonprofit organizations must be effective strategists if their organizations are to fulfill their missions, meet their mandates, and satisfy constituents in the years ahead.” (John Bryson, 1995, p. ix)¹

What Is Strategic Planning?

Strategic planning is the process an organization engages in to develop its medium and long-range goals and plans. Leaders use strategic planning to define the organization’s direction. Strategic planning answers the questions:

- Where are we right now?
- Where are we going?
- How shall we get there?
- What resources do we need in order to get there?
- How do we align the entire organization – all its people, at every level, with the goals of the plan?
- How will we measure our success?

The three key steps in strategic planning are:

- To identify or re-assess the vision and mission;
- To identify goals to accomplish the mission, including objective, measureable strategies; and
- To allocate resources to pursue those goals and strategies.

At its best, strategic planning incorporates input from all segments and levels of the organization, including external stakeholders. It is a cyclic process that includes evaluation of the success of the process, regular check-ups to ensure the plan is on track, and periodic review and revision.

Why Is Strategic Planning Important to Do?

Public and non-profit organizations once looked at strategic planning as something designed strictly for the private, for-profit sector, with goals of increasing sales and profit margins, improving customer satisfaction, and creating greater efficiency. Most public and non-profit groups now realize they have much to gain from these potential products of strategic planning:

- A clear, current mission and vision that that are easy to communicate.
- An understanding and ownership of the mission and vision in all parts of the organization: staff, stakeholders, constituents, law and policy makers, and the general public.

¹ Bryson, John M. (1995). *Strategic planning for public and nonprofit organizations: A guide to strengthening and sustaining organizational achievement* (Rev. ed.). San Francisco, CA: Jossey-Bass Publishers.

- A critical assessment of the internal and external environment in which the organization must operate – the factors that can be leveraged and the factors that present challenges.
- Clear, measureable goals designed to accomplish the organizational mission and vision.
- Elimination of activities that distract from the priorities of the organization.
- Alignment of employees' performance objectives with the goals and objectives established in the strategic plan, for the next three to five years.
- Potential for greater participation from employees and constituents, and improved morale.

Why Do This Now?

It is easy in these times of shrinking budgets and reduced staff to view planning as a distraction from the more urgent needs created by “doing more with less.” This is, however, exactly the reason to plan. The activities of strategic planning, including examining the internal and external environment in which the organization operates, are designed explicitly to help leaders prepare for changes that may be on the horizon.

Without planning, organizations may, for example, find themselves having to reduce spending and other resources drastically when adversity strikes, rather than seeing adversity on the horizon and preparing for it in advance. Strategic planning makes it possible to set direction in fuller knowledge of the changing environment, making strategic adjustments in order to continue fulfilling the vision/mission of the organization.

The same holds true for opportunities. A missed opportunity hurts as much as an adversity that strikes unseen. Ask any frontline staff members who saw changes happening with suppliers, customers or others – changes that went unseen and unaddressed by leaders. Visit

How Can Strategic Planning Help ME? (. . . and my organization)

1. It brings the organization's focus to its mission, vision and goals.
2. It scans the environment for internal strengths and weaknesses, and external opportunities and threats, in order to maximize success in achieving the articulated goals.
3. If the organization invites and uses the input of staff and constituents at all levels, it will have an excellent analysis of its circumstances, and will have brought most or all parties into alignment with the strategic direction.
4. It will make it possible to discontinue efforts that do not move the organization toward its goals.

What are the Key Components of Strategic Planning?

The strategic planning process has the following key elements:

- The leadership of the organization is leading the process with complete clarity and high, positive energy.
- A cross-functional, multi-level team is empowered to manage the process.
- A clear process is identified in advance, with timeline, and followed (it does not need to be complicated or long).

- Information flows in all directions, with the programs and various operating units of the organization providing information to the team, and the team providing information about the process.
- Those steering the process are willing honestly to examine even sensitive factors, such as organizational culture and image (internally and to the public).
- Evaluation of the strategic planning process, and the outcomes of the plan, is an integral part of the process, and is built in as a part of the organization's annual cycles.

A Step-by-Step Outline of Strategic Planning

1. Prepare for the process
 - a. Communicate the intention to engage in strategic planning throughout the organization
 - b. Create a core team to manage the effort
 - c. Establish a plan for the process itself (plan to plan)
 - d. Identify any mandates, legislation, laws or policies that establish directives or guides for planning in this organization
2. Identify the period of time the strategic plan is to cover (normally three to five years)
3. Identify or change the purpose/mission/vision of the organization for the current time and heading into the future, using a process that evokes the visionary and creative aspects of the organization.
4. Perform an environmental scan:
 - a. Scan the external environment for information about:
 - i. Partners/Allies/Collaborators
 - ii. Competitors
 - iii. Vendors and other resources and suppliers
 - iv. Consumers
 - v. Constituencies
 - vi. Economic environment
 - vii. Technology
 - viii. Social/societal changes
 - ix. Legislative/governing/policy bodies
 - x. Trends in other factors specific to your field or locality
 - b. Scan the internal environment for information about:
 - i. Organizational culture
 - ii. Organizational image
 - iii. Organizational structure
 - iv. Employees
 - v. Managers
 - vi. Financial Resources
 - vii. Facilities/natural resources

- viii. Public relations/marketing
 - ix. Policies/Procedures
 - x. Bargaining Units
 - xi. Other factors
- c. Identify the strengths and weaknesses the organization has, based on 4.b above (the internal scan)
- d. Identify the opportunities and threats that exist in the external environment based on 4.a above (the external scan)
- 5. Analyze the conditions in the environment, and the strengths, weaknesses, opportunities and threats (SWOT):
 - a. How can the organization take advantage of opportunities, drawing on its strengths?
 - b. How can the organization address threats from outside itself by drawing on its strengths and minimizing its weaknesses?
 - c. What external opportunities and internal strengths can the organization leverage to minimize its weaknesses?
- 6. Based on these analyses, identify a manageable set of goals that address the issues facing the organization.
- 7. Prioritize these goals, keeping only those that the organization agrees are high priority for the strategic planning period.
- 8. Create objectives and performance measures for each of the goals.
- 9. Develop strategies to implement the goals and objectives.
- 10. Generate a timeline for implementation.
- 11. Create a plan and schedule for evaluating the organization's progress toward implementation throughout the period the strategic plan addresses.
- 12. Assess (evaluate) the strategic planning process itself.